



El Segundo Unified School District

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SUPERINTENDENT
GEOFF YANTZ, Ed.D.

BOARD OF EDUCATION

ANN M. COLES

ROBIN K. FUNK

TAMMY R. TAGAMI-REEVES

WILLIAM J. WATKINS, Ed.D.

LISA S. WILKIN

August 4, 2008

Los Angeles County
Registrar-Recorder/County Clerk
12400 Imperial Highway
Norwalk, California 90650

Re: El Segundo Unified School District General Obligation Bond Election

To Whom It May Concern:

On July 29, 2008, the El Segundo Unified School District (the "District") adopted a resolution (the "Resolution") ordering an election on November 4, 2008, establishing specifications of the election and authorizing related actions to submit to the electors of the District the question of whether general obligation bonds of the District in the aggregate principal amount not to exceed \$14,000,000 shall be issued and sold to raise money for the purposes described in the Resolution (the "Bond Proposition").

Enclosed are copies of the following documents in connection with the Bond Proposition:

- (1) the Resolution; and
- (2) the tax rate statement (described in Section 9401 of the Elections Code).

The District hereby requests to be provided with copies of the following documents in connection with the Bond Proposition for review prior to the printing of the ballot materials:

- (1) the ballot measure;
- (2) the impartial analysis; and
- (3) any written arguments in favor of or against the Bond Proposition.

The District does not believe that Section 15122.5 of the Education Code applies to the Bond Proposition and hereby requests that the Los Angeles County Registrar-Recorder/County Clerk not add the language specified by that section.

If you have any questions, please feel free to contact me.

Sincerely,

Geoff Yantz, Ed.D.
Superintendent

*Dedicated to providing students and the community
with an optimum learning environment that prepares educated, productive,
compassionate citizens to meet the challenges of a global society in the 21st Century.*

COUNTY OF LOS ANGELES
REGISTRAR-RECORDER/CLERK
ELECTIONS DIVISION

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RECEIVED

RESOLUTION NO. 1/2008-09

RESOLUTION OF THE BOARD OF EDUCATION OF THE EL SEGUNDO UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION ON NOVEMBER 4, 2008, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER AND AUTHORIZING RELATED ACTIONS

WHEREAS, the Board of Education (the "Board") has determined that certain school facilities and improvements within the El Segundo Unified School District (the "District"), within Los Angeles County ("Los Angeles County") need to be acquired, constructed, improved, furnished, equipped, modernized and repaired to enable the District to enhance the educational opportunities of the students in the District; and

WHEREAS, the District's high school auditorium and its athletic fields (the "Improvements") require significant renovations and improvements in order to provide students with a high quality educational environment; and

WHEREAS, excellent schools are a good investment for the community because they improve the quality of neighborhoods within the District and increase local property values, which benefits the entire community; and

WHEREAS, the Board has determined that the District's students and the community as a whole will benefit from the renovation and improvement of the Improvements and will improve the quality of education within the District; and

WHEREAS, in the judgment of the Board, given the inadequacy of state and federal funding for facilities construction, the required funding for the Improvements can be obtained only by means of general obligation bonds authorized by District voters; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service of any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

WHEREAS, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which, as of its effective date, authorized *ad valorem* tax levies to pay the interest and redemption charges on bonded indebtedness approved by 55% of the votes cast on a proposition for school district general obligation bonds which includes all of the accountability requirements of Proposition 39; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, in the judgment of the Board, it is advisable to call an election pursuant to Proposition 39 and Education Code Section 15266(a) on the question of whether general obligation

bonds shall be issued and sold on behalf of the District for the purposes set forth in Exhibits A and B hereto; and

WHEREAS, Education Code Section 15266(a) provides that an election on a proposition to issue bonds may be held pursuant to Proposition 39 at a primary election at which all of the electors of the District are entitled to vote; and

WHEREAS, there is a Presidential election being held statewide on November 4, 2008 at which all electors of the District are entitled to vote, which election will be conducted by the Los Angeles County Registrar of Voters; and

WHEREAS, the Board desires to make the required findings and to adopt the accountability standards required by Proposition 39 and the Act, including certain findings and certain performance audits, standards of financial accountability and citizen oversight; and

WHEREAS, the Board hereby determines, in accordance with the opinion of the Attorney General of the State of California, that the restrictions in Proposition 39 which prohibit any bond money from being used for administrative salaries or other operating expenses of the District be strictly enforced by a Citizens' Oversight Committee to be appointed by the District; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board hereby determines that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits of \$60 per year per \$100,000 of assessed valuation of taxable property when assessed value is projected as described in Proposition 39; and

WHEREAS, Elections Code Section 9400 *et seq.* requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now desires to authorize the preparation of a tax rate statement and the filing of a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, in the judgment of the Board, it is advisable to request the Los Angeles County Registrar of Voters to call an election pursuant to Proposition 39 and Education Code Section 15266(b) on the question of whether general obligation bonds shall be issued and sold on behalf of the District for purposes set forth in Exhibits A and B; and

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 4, 2008, and to request the Los Angeles County Registrar of Voters to perform certain election services for the District; and

WHEREAS, the Board desires to retain the services of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel") to serve as bond counsel to the District in connection with the authorization and sale of the general obligation bonds, the services of Caldwell Flores Winters ("Financial Advisor") to act as financial advisor to the District in connection with the

authorization and sale of the general obligation bonds, and the services of Piper Jaffray & Co. (the "Underwriter") to act as the underwriter for the general obligation bonds;

NOW THEREFORE, THE BOARD OF THE EL SEGUNDO UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15264 *et seq.* and Government Code Section 53506, hereby calls an election and requests the Los Angeles County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether general obligation bonds of the District in the aggregate principal amount not to exceed \$14,000,000 (the "Bonds") shall be issued and sold to raise money for the purposes described in Exhibits "A" and "B" hereto (the "Bond Proposition"). Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 4, 2008.

Section 3. That the purpose of the election shall be for the voters in the District to vote on the Bond Proposition, containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by the Bond Proposition. In compliance with Proposition 39 and the Act, the Bond Proposition is subject to the following requirements and determinations:

(a) the proceeds of the sale of the Bonds shall only be used for the purposes set forth in the Bond Proposition and not for any other purpose, including teacher and administrator salaries and other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B", evaluated the safety, class size reduction and information technology needs of the District;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond moneys are expended only for the projects identified in Exhibit "B" hereto;

(d) that the Board will cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board will cause the appointment of a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Elections Code Section 15274;

(f) that the tax levy authorized to secure the Bonds shall not exceed \$60 per year per \$100,000 of assessed valuation of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution; and

(g) that the Board will comply with the bond accountability requirements of Government Code Section 53410.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15264 *et seq.* and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.

Section 6. That the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with the Presidential election being held statewide on November 4, 2008.

Section 7. That the Board requests the governing body of any other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass be made by any body or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation.

Section 8. That, pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Los Angeles County, such services to include the printing of the Full Text Ballot Proposition in the voter pamphlet, the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

Section 9. That the Clerk of the Board is hereby directed to send a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than August 7, 2008.

Section 10. That any Bonds issued pursuant to Section 15264 *et seq.* of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and any Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity of not exceeding forty (40) years. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 11. The Superintendent and his written designees are hereby authorized to negotiate and execute contracts for services with Bond Counsel and Financial Advisor related to the authorization and issuance of the Bonds, and a contract with the Underwriter to serve as underwriter for the Bonds.

Section 12. The Superintendent, and his designees, are hereby authorized to prepare or cause to be prepared a sample ballot and tax rate statement (described in Section 9401 of the Elections Code), an impartial analysis of the Bond Proposition as required by Elections Code Section 9500 and a written argument in favor of the Bond Proposition to be signed by one or more of the individuals described in Elections Code Section 9501, and to take whatever additional actions are required to comply with the provisions of the Elections Code and the Education Code to place the Bond Proposition on the ballot for the November 4, 2008 statewide election referenced in Section 6 above.

Section 13. This Resolution shall take effect from and after its date of adoption.

ADOPTED, SIGNED AND APPROVED this 29th day of July, 2008.

BOARD OF EDUCATION OF THE EL SEGUNDO
UNIFIED SCHOOL DISTRICT

By: Ann M Coles
Vice President

Ann M. Coles

Attest:

Robin K Funk
Clerk

Robin K. Funk

STATE OF CALIFORNIA)
) ss
LOS ANGELES COUNTY)

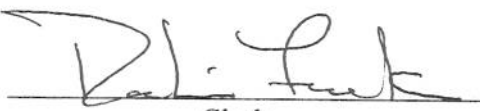
I, Robin K. Funk, do hereby certify that the foregoing is a true and correct copy of Resolution No. 1/2008-09, which was duly adopted by the Board of Education of the El Segundo Unified School District at meeting thereof held on the 29th day of July, 2008, and that it was so adopted by the following vote:

AYES: 4

NOES: 0

ABSENT: 0

ABSTENTIONS: 1

By 
Clerk

Robin K. Funk

EXHIBIT A

To support high academic achievement, enhance student safety, and improve the 80 year old auditorium and the athletic facilities frequently used by the community, by repairing outdated wiring and plumbing, improving energy efficiency, reducing water use, and mitigating safety hazards and accessibility issues, shall the El Segundo Unified School District issue up to \$14,000,000 in bonds at legal interest rates, with all funds used locally, an independent citizens' oversight committee, annual audits and NO money for administrator salaries?

Bonds — YES _____

Bonds — NO _____

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE EL SEGUNDO UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 4, 2008

The following is the full text ballot proposition presented to the voters by the El Segundo Unified School District on November 4, 2008.

“To support high academic achievement, enhance student safety, and improve the 80 year old auditorium and the athletic facilities frequently used by the community, by repairing outdated wiring and plumbing, improving energy efficiency, reducing water use, and mitigating safety hazards and accessibility issues, shall the El Segundo Unified School District issue up to \$14,000,000 in bonds at legal interest rates, with all funds used locally, an independent citizens’ oversight committee, annual audits and NO money for administrator salaries?”

In developing the list of school facilities and improvements to be funded by the bonds, the Board of Education of the El Segundo Unified School District (the “Board”) has evaluated safety, class size reduction and information technology needs at all schools.

PROJECT LIST

The following projects qualify to be funded with proceeds of the general obligation bonds to be authorized by this proposition. Greater detail concerning of these projects is on file at the District and available for review by the public.

High School Auditorium

Renovate the existing high school auditorium to improve safety and to provide updated lighting, rigging, seating and other equipment and improvements related to the performing arts.

High School Athletic Fields

Renovate and upgrade the high school athletic fields and facilities, including the baseball field, football field and track.

Each project funded with bond proceeds may include needed equipment and furniture and will include architectural, engineering, inspection and similar planning costs, construction management costs, bond issuance costs, demolition and interim housing costs, and a customary contingency for unforeseen design and construction costs. The allocation of bond proceeds will be affected by final cost estimates and may be affected by factors beyond the District’s control. The final cost of each project and the priority of the projects to be funded will be determined as plans are finalized, construction bids are awarded, and projects are completed. Therefore, the Board cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. The Board will establish the priority of the projects to be funded and the timing for each project.

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, renovation or replacement of school facilities and improvements, including the furnishing and equipping of school facilities and improvements, and the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other operating expenses.

Fiscal Accountability: The expenditure of bond proceeds by the District is subject to stringent financial accountability requirements. Performance and financial audits will be performed annually, and all bond expenditures will be monitored by an independent Citizens' Oversight Committee to ensure that funds are spent as promised and specified. In accordance with Section 15282 of the Education Code, the Citizens' Oversight Committee shall consist of at least seven members and shall include a member active in a business organization representing the business community located within the District, a member active in a senior citizens' organization, a member active in a bona fide taxpayers' organization, a member that is a parent or guardian of a child enrolled in the District, and a member that is both the parent or guardian of a child enrolled in the District and active in a parent-teacher organization. No District employees or vendors are allowed to serve on the Citizens' Oversight Committee.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent of the District shall cause a report to be filed with the Board no later than January 1 of each year, commencing the first January 1 that occurs after the delivery of the proceeds of the bonds to the District, stating (a) the amount of bond proceeds received and expended in that year, and (b) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent of the District shall determine, and may be incorporated into the annual budget, audit or other appropriate routine report to the Board.

**Tax Rate Statement In Connection With
El Segundo Unified School District**

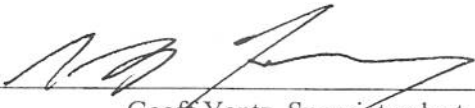
An election will be held in the El Segundo Unified School District (the "District") on November 4, 2008 to authorize the sale of up to \$14.0 million in bonds of the District to finance school facilities as described in the Measure. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 0.10 cents per \$100 (\$1.00 per \$100,000) of assessed valuation in fiscal year 2009-10. The bonds are expected to be sold in one series.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 5.870 cents per \$100 (\$58.70 per \$100,000), the current voter approved tax rate.

Voters should note that the estimated tax rates are based on the *ASSESSED VALUE* of taxable property on the County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold, market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

Dated: July 31, 2008



Geoff Yantz, Superintendent
El Segundo Unified School District

August 4, 2008

Received of El Segundo Unified School District:

Resolution Ordering an Election on November 4, 2008, Establishing Specifications of the Election and Authorizing Related Actions to Submit to the Electors of the District the Question of Whether General Obligation Bonds of the District in the Aggregate Principal Amount Not to Exceed \$14,000,000 shall be issued and sold to raise money for the purposes Described in the Resolution.

The Tax Rate Statement dated July 31, 2008

| | |
|---------------------|----------------|
| <u>Maria Alfaro</u> | <u>8/04/08</u> |
| Signature | Date |

COUNTY OF LOS ANGELES
REGISTRAR/REC. CLERK
ELECTION DIVISION

2008 AUG -4 AM 10:49

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